



Choosing A Contractor

Office of Attorney General, Consumer Protection Division
4205 State Street, Bismarck, ND 58503

Tel: (701) 328-3404; Toll-free (800) 472-2600; TTY: (866) 290-4236

Quick Tips

- Consider local, reputable contractors.
- Ensure the contractor is licensed. Licensing, however, is not an endorsement by the Attorney General, Secretary of State or other governmental agencies.
- Avoid large payment of advance fees.
- Beware of con artists and consumer fraud. Report suspected fraud to the Attorney General's Office.

Home repair and improvement scams flourish in warm weather, or following severe weather or a natural disaster. Recognize the tip-offs to 'fly-by-night' home repair or improvement swindlers. They include:

- ☐ arrival in an unmarked truck or van;
- ☐ door-to-door salespeople claiming, "We've just finished a job nearby and have material left over so we can do the job for half the price;"
- ☐ high pressure sales tactics;
- ☐ refusal to give you a written estimate, contract, or references, and;
- ☐ very low bids.

Choosing a Contractor

Here are some steps you can take to protect yourself and make sure you find the best and most qualified contractor for your needs:

Research your project

Before selecting a contractor, research the project so you will be knowledgeable about what the job involves. Your research should include what has to be done, the best way to do the work, and the types and costs of materials that should be used. You also may want to contact your local building inspector to find out what building permits are required for your job.

Get the names of several contractors

You will want to obtain bids from several contractors. Friends and neighbors who have undertaken similar projects may give you the names of contractors they recommend.

Trade associations, hardware, building supply, and home improvement stores also may be good sources for reputable contractors.

Make sure your potential contractor is licensed	<p>Contractors engaging in contracts exceeding \$2,000 must be licensed by the North Dakota Secretary of State. Check with the Secretary of State's Licensing Division to determine if those contractors are licensed by calling 701-328-3665 or 1-800-352-0867, ext. 8-3665.</p> <p>Check with the Attorney General's Licensing Section at 701-328-2329 to determine if the contractor needs a "transient merchant's license." This requirement protects you and includes a bond that may be available for a consumer claim about the product or service.</p>
Get written bids on your job	<p>Get at least two or three written bids for your project. Never accept a verbal estimate. Prepare a detailed list of work that needs to be done and the materials required. Meet with each contractor about the bid. In order to protect yourself, ask the contractor these questions:</p> <ul style="list-style-type: none"> • Is the business locally owned? • Does the contractor have a driver's license? Obtain the name, address, and driver's license number for future reference. • How long has the business been established in the community? What is the permanent business address? • Will the contractor provide references? Get a list of names and phone numbers and call them.
Compare bids	<p>Carefully compare the written bids. Be sure each includes everything you want. The bid should serve as a starting point in your negotiations with the contractor. It is not necessarily the bottom line. Less reputable contractors may cut corners for low bids.</p>
Check for insurance	<p>Make sure your contractor has liability insurance, otherwise, you may be liable for injuries to workers or others on your property, including damages to personal property. Contact your insurance agent for more information.</p>
Get a written contract	<p>The identification of the contractor, including name, business location and telephone numbers should be written into the contract. Answers to the following questions should also be in the written contract:</p> <ul style="list-style-type: none"> • When will the work begin? How long will the work take? What will the work involve? • What type, grade and quality of material will be used? How much will it cost? • Will subcontractors be used? If so, who? • What guarantees and warranties will I receive? • Will the contractor obtain the necessary licenses and permits?